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Review of the regular programme of technical cooperation and the Development Account

Report of the Secretary-General*

Summary

The present report has been prepared pursuant to paragraphs 48 and 58 of General Assembly resolution 58/270 of 23 December 2003, by which the Secretary-General was requested to undertake a fundamental and comprehensive review of the regular programme of technical cooperation and to make appropriate proposals to the General Assembly at its fifty-ninth session; and to submit a comprehensive report to the Assembly at its fifty-ninth session addressing possible measures to improve the performance of the Development Account, including ways and means aimed at bringing a more focused approach to project formulation, complementarity, implementation and evaluation, as well as to make proposals on increasing its funding in accordance with General Assembly resolutions 52/12 B of 19 December 1997 and 54/15 of 29 October 1999.

The report covers the full range of operations of the regular programme of technical cooperation and the Development Account and also contains analyses of similarities and differences of the two programmes. Specific proposals are made with regard to the possible improvement of the two programmes under review.

* The fundamental and comprehensive review, requested by the General Assembly, necessitated extensive travel to all overseas locations, including regional commissions, for conducting studies, interviews and analysis, and contributed to the delay in submitting the present report for processing.

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I. Introduction

1. The General Assembly in its resolution 58/270 of 23 December 2003, called for a fundamental and comprehensive review of the regular programme of technical cooperation[1] and requested a comprehensive report on the Development Account[2] addressing possible measures to improve its performance. The review was to: review current mandates and practices; analyse the methodologies and mechanisms currently used for programming and utilization of resources; review existing procedures for monitoring, evaluation, performance review and reporting and oversight; and to prepare proposals for:

(a) Updating the mandate of the regular programme of technical cooperation in the light of current technical cooperation practices and the development needs of Member States in line with the mandates of the implementing entities,

(b) Refining and delineating three to five standard criteria for the regular programme of technical cooperation interventions to be followed to ensure greater effectiveness and efficiency and more visible programme impact;

(c) Reporting arrangements to strengthen oversight and facilitate performance review.

2. For the Development Account, the request was to: review the compliance of the current operations with its intended mandate and guidelines contained in the related General Assembly resolutions; review the methodology and mechanisms currently used for programming and utilization of the resources under the Development Account; and to prepare proposals for:

(a) Enhancing the methodology and mechanisms currently used for programming and utilization of the resources under the Development Account in view of increasing efficiency and effectiveness;

(b) Developing a more focused approach to project formulation, complementarity, implementation and evaluation;

(c) Reviewing the initial arrangements and current situation with regard to financing of the Development Account and to make proposals on increasing its funding in accordance with General Assembly resolutions 52/12 B of 19 December 1997 and 54/15 of 29 October 1999, taking into account future savings and their potential use for development activities.

3. The two accounts share certain similarities, but have quite different histories, serve different purposes and are managed in substantively different ways. The Development Account is centrally managed while the regular programme of technical cooperation is delegated to the entities. The latter is intended to be responsive to government requests while the former is staff initiated. Development Account activities are approved in advance, while only allocations are approved for the regular programme of technical cooperation. The Development Account is concentrated in a limited number of projects while the regular programme of technical cooperation involves smaller initiatives formulated and implemented within the biennium period. The regular programme of technical cooperation is intended to provide a rapid response, while the Development Account accounts involve preparation and implementation over several bienniums. The Development Account is reported on to the General Assembly in a very detailed manner, while

very limited reporting is provided on the regular programme of technical cooperation.

4. Some specific proposals are made with regard to the possible improvement of the two programmes under review.

II. Legislative history of the regular programme of technical cooperation and the Development Account

Regular programme of technical cooperation

5. The first funding for the regular programme of technical cooperation was established by the General Assembly in 1946 for the provision of technical assistance to developing countries. The most extensive set of guidelines enunciated for the programme were prepared by the former Department of Technical Cooperation for Development of the Secretariat and were discussed and accepted by the Governing Council of the United Nations Development Programme (UNDP) in 1980, almost 25 years ago. These criteria, with three additional guidelines that evolved over the years, are contained in annex I.

6. In the proposed programme budget for the biennium 2004-2005 for the regular programme of technical cooperation (A/58/6 (Sect. 23)), the programme was clearly positioned within the criteria outlined above, with the added dimension of support to countries with economies in transition. However, it would appear timely to update and perhaps simplify the criteria. Two levels of criteria are applied to activities funded by the programme. The first set are those that govern the use of programme funds by all implementing entities (the overall criteria) and the second set are those that govern the priorities of each individual implementing entity (the entity criteria). The overall criteria should not be so specific that they preclude activities that legitimately fall within the approved strategic priorities of the implementing entities.

7. The statement of the programme objective of the regular programme of technical cooperation as outlined in the budget fascicle also requires review, as it is stated in such a general way that it fails to provide any real sense of the unique role that the programme is intended to fill:

> "*To contribute to the development of developing countries and countries with economies in transition and their pursuit of common challenges through the provision of technical cooperation support in the fields of international and regional cooperation for development, human rights and humanitarian affairs.*" (See A/58/6 (Sect. 23), table 23.1.)

Development Account

8. The Development Account was established by the General Assembly in its resolution 52/12 B, part H, paragraph 24, and by that decision was to be funded by savings from reductions in administration and other overhead costs, without effecting full implementation of mandated programmes and activities. The Development Account was originally funded at a biennial level of $13,065,000. The General Assembly also established this as the base level of funding for future years, with future verifiable and sustainable savings to be added to the account. Since the

initial funding level was established, it has been adjusted for inflation, but no further savings have been identified.

9. The General Assembly has revisited the guidelines for the use of the Development Account on a number of occasions and provided guidance to the programme manager (the Under-Secretary-General for Economic and Social Affairs). The following criteria guided the formulation of the last tranche (the fourth tranche) of Development Account projects:

(a) Help build national capacities;

(b) Utilize the technical, human and other resources available in developing countries;

(c) Promote regional and interregional economic and technical cooperation among developing countries;

(d) Lead to some durable, self-sustained process and have synergies with other development interventions;

(e) Be executed within two bienniums.

10. All indications are that, in the project review process carried out under the guidance of the programme manager of the Development Account the criteria is taken most seriously. Project submissions that do not meet the criteria are either rejected or rewritten. The programme manager is currently developing new criteria for the fifth tranche of Development Account funding. The criteria being considered at the time of the preparation of the present report had increased from the five listed above to ten. While most can be defensible, there is concern that too many criteria may prove distracting in understanding the unique objectives of the programme and may lessen the impact of the criteria overall by trying to "touch all the hot buttons".

11. The budget fascicle for section 35 for the biennium 2004-2005 did not contain a simple and precise statement of the programme's objective. Such a statement could be developed for the next budget, with the objective of situating the Development Account more precisely within the broader range of United Nations programmes.

III. Operating modalities of the regular programme of technical cooperation

12. Section 23, regular programme of technical cooperation of the programme budget requests approval of an overall amount for the regular programme of technical cooperation, which is subdivided into two basic components:

(a) Sectoral advisory services, which covers the sectorally driven implementing entities the Department of Economic and Social Affairs, the United Nations Conference on Trade and Development, the United Nations Human Settlements Programme (UN-Habitat), the Centre for International Crime Prevention, the United Nations International Drug Control Programme, the Office of the United Nations High Commissioner for Human Rights and the Office for the Coordination of Humanitarian Affairs;

(b) Regional and subregional advisory services which cover the five regional commissions the Economic Commission for Africa, the Economic Commission for Europe, the Economic Commission for Latin America and the Caribbean, the Economic and Social Commission for Asia and the Pacific and the Economic and Social Commission for Western Asia.

13. Indicative figures are provided for each implementing entity on the allocation of its regular programme of technical cooperation funds by subprogramme. The sectoral advisory services touch upon 17 subprogrammes, while the regional and subregional advisory services touch upon 28 subprogrammes. The breakdown according to subprogramme shown in the budget is subject to change in response to requests received and is shown for indicative purposes only.[3] The essence of the regular programme of technical cooperation programme is that it is intended to be quick in responding to developing country requests for advisory or training assistance in the substantive areas approved for each entity in the United Nations strategic plan. Each implementing agency approves regular programme of technical cooperation expenditures in its approved subprogrammes and has the ability to reallocate its regular programme of technical cooperation funds between subprogrammes.

14. In its Resolution 58/270, the General Assembly requested that the following areas of the operating modalities of the regular programme of technical cooperation be examined:

- Utilization
- Programming
- Monitoring
- Performance review
- Reporting and oversight.

Utilization

15. There are four aspects of utilization that need to be discussed: (a) allocating the regular programme of technical cooperation resources to the implementing entities; (b) the basic modalities used for the delivery of the technical cooperation; (c) the coherence of approved activities with the mandated subprogrammes as contained in the budget; and (d) adherence to the guiding criteria that have evolved through the decisions of the various governance bodies over the years.

16. Allocation of the regular programme of technical cooperation resources by implementing entity does not change substantially from biennium to biennium. Any new allocation of the regular programme of technical cooperation presents the fundamental problem of developing criteria to guide the allocation process. Most of the criteria used tend to be highly subjective. This difficulty is exacerbated by the lack of a single programme manager for the regular programme of technical cooperation who would be responsible to the General Assembly for defending the allocations and for proposing changes in the light of changing priorities for the system as a whole. In addition, Governments have not established clear priorities between the various programmes of the United Nations budget that could be applied to the regular programme of technical cooperation.

17. While recognizing that many highly subjective issues have to be taken into account in the regular programme of technical cooperation allocation process, an attempt was made to assess the reasonableness of the current allocations against certain proxy indicators that are quantifiable. While the merits of these proxy indicators could be extensively debated, the results overall would indicate that the current allocation of regular programme of technical cooperation funds is defensible.

18. With regard to modalities, the budget document outlines three basic types of intervention: short-term advisory services, field projects and training activities. The overall resources of the regular programme of technical cooperation are used mainly for the hiring of advisers who are specialists in both technical cooperation and in the substantive knowledge of the subprogramme. The advisers are not permanent United Nations staff members, but are hired under fixed-term contracts, generally of one year's duration, that can be renewed as required. Policies on the number of renewals that can be authorized for an individual adviser vary between the implementing entities. The adviser is hired because permanent staff may not be mandated to engage in technical cooperation activities or, if mandated, are fully occupied with their regular normative and analytical functions.

19. When requests are received from Governments, it is the adviser who is expected to plan and execute the approved response. The planned intervention builds on the normative capacities of the entity and the advisers provide feedback to their normative counterparts on the lessons learned from their technical cooperation activities. The use of the advisers has been controversial in the past and in some cases continues to be so, although the basic concept has been approved by the General Assembly and has been the core operating principle of the regular programme of technical cooperation since its inception.

20. Annex II provides full information on the use of the regular programme of technical cooperation by each entity based on disbursements for the biennium 2002-2003. Table 1 below summarizes overall use by expenditure category.

Table 1
Regular programme of technical cooperation expenditures in the biennium 2002-2003 by expense type

		Percentage
General temporary assistance	$31 861 413	72.6
Consultants and experts	2 274 313	5.2
Other personnel-related costs	276 834	0.6
Travel on official business	4 491 770	10.2
Other	135 760	0.3
Contractual services	201 484	0.5
General operating expenses	61 384	0.1
Training	4 597 648	10.5
Total	**$43 901 056**	**100**

21. Table 1 above indicates that 72.6 per cent of total disbursements were for general temporary assistance. From annex II it can be seen that this figure ranged from a low of 44 per cent for one implementing entity to a high of 95 per cent for another. Costs for travel on official business ranged from a low of 0 per cent to a high of 34 per cent. Costs for training ranged from a low of 0 per cent to a high of 25 per cent.

22. While some of the entities have a balanced disbursement pattern between salaries, travel and training, others are evidently using almost their entire regular programme of technical cooperation allocation for salaries alone. This raises several questions. If few travel funds are available, how are these advisers providing services to developing country clients in the field? Why does training represent such a small part (10.5 per cent) of regular programme of technical cooperation disbursements? If advisers are not travelling, as the figures for some entities would appear to indicate, are they carrying out permanent staff functions for which approved posts do not exist?

23. Having raised those questions, it must also be noted that the flexibility of regular programme of technical cooperation funds allows them to be easily used in conjunction with funding from other sources. Some entities indicate that adviser travel is often combined with activities funded from sources other than the regular programme of technical cooperation. The increasing use of new information and communication technologies for technical cooperation also means that, in certain cases, the traditional field mission may be increasingly irrelevant where alternative technologies, such as web-based knowledge networks are available. It is unlikely, however, that these explanations adequately explain this heavy commitment of resources to advisers' salaries without an equivalent commitment to fund their travel to developing countries.

24. The subprogrammes as shown in the budget reflect the approved United Nations strategic plan. While most advisers are assigned to one of these approved subprogrammes, for others, the picture is not always so clear. Some advisers are assigned to central functions where the linkages to priority activities may not always be fully evident. Better reporting on the use of regular programme of technical cooperation funds might help to correct any anomalies that currently exist. Reporting is addressed separately later in this report.

25. Adherence to criteria was more difficult to assess since the criteria are not clear for the programme overall. It has been some years since the General Assembly formally endorsed an integrated series of criteria for the programme. The criteria that exist have been subject to various interpretative statements over the years which, while helpful at the time, are now less clear as to their legislative authority and the importance of which may have eroded over time.

26. A second problem related to criteria is the difficulty of establishing broad guiding criteria for 12 quite different implementing entities, each of which has its own legislative mandate and ongoing governance direction that includes different groups of priority Member States. In such circumstances, the criteria become so broad as to provide little precision for purposes of measurement. If too precise, they may be irrelevant to some implementing entities, as is partially the case at the present time. In the criteria that are proposed later in the present report, an attempt will be made not only to clarify the criteria, but to restrict them only to those that should govern all activities under the programme, regardless of implementing entity.

27. There is one aspect of adherence to the existing criteria that needs review. This relates to the interpretation given to subpoint (g) of the criteria approved many years ago by the UNDP Governing Council (see annex I), namely, that this underlines the need for bridging arrangements with other, better-endowed funds (e.g. UNDP) once the trailblazing activity had produced positive results. This criterion is also linked to the somewhat more recent supplementary guideline 2 outlined in annex I that have evolved, to the effect that the resources be considered as "trailblazer" resources, opening new activities, on a pilot or experimental basis, which might then be taken up by other better-endowed funds once their viability has been shown.

28. These two criteria are now being interpreted as a mandate to engage in project preparation activities that appear to be quite separated from any concept of "trailblazing, pilot or experimental". Few field projects are currently undertaken, so it is not evident to what particular activity the "trailblazing" concept would apply. Increasingly, through the tasks carried out by advisers, the regular programme of technical cooperation is being used by some implementing entities as a project preparation facility to develop projects on behalf of countries which have sought assistance for which the implementing entity can then seek extrabudgetary funding from a variety of sources. This may be a perfectly laudable function, but it is not clear that this was the intent of the initial criteria.

29. There is a second element to this consideration. Both versions of the criterion outlined above refer to "other better-endowed funds". One interpretation of this phrase would be that, following the trailblazing activity, follow-on financing and implementation will be taken over by the other better-endowed fund. An alternative interpretation is that it is only the funding which is taken over by the better-endowed fund, while implementation stays with the entity that carried out the trailblazing activity. This raises the question of which interpretation should be clarified in any new criteria.

Programming

30. The first step in the programming process is the approval by the General Assembly of the regular programme of technical cooperation budget. The objective of the regular programme of technical cooperation as set out in table 23.1 of document A/58/6 (Sect. 23), does not seem to describe the unique role of the programme as it emerges from this review. The objective is stated in paragraph 7, above.

31. This statement of objective perhaps insufficiently differentiates the regular programme of technical cooperation from other technical cooperation activities that exist within the United Nations system. It is perhaps insufficient in portraying the fundamental operating modalities that should make this programme stand out from others and which should help to build better understanding of and support for it. Based on the descriptions provided by the implementing entities as to how they use the programme, the key elements appear to be:

(a) Fast and flexible response;

(b) To requests of developing countries;

(c) To meet their small-scale but urgent requirements;

(d) Through the effective harnessing of the expertise that exists in the United Nations normative and analytical secretariats;

(e) Which, in turn, will help to guide the evolution of normative functions through feedback from field operating experience;

(f) Which help build the countries' development strategies and programmes;

and which, in turn,

(g) Help to secure resources for development purposes from other sources.

32. Section 23 is somewhat different in the structure of the United Nations programme budget in that, beyond the aggregate programme level approved, the detailed information provided is intended only to be indicative of the manner in which the funds will be used. Nevertheless, extensive information is provided on the intended use of the resources. The utility of providing such extensive indicative information is questioned. Since the programme is intended to be responsive and flexible, and since the General Assembly clearly does not approve detailed activities in advance, a much more general approval could be considered.

33. A simple approval of the overall programme level, combined with its allocation by subprogramme and implementing agency would appear to be more consistent with the objectives of the programme. Such an approach would demand, however, that the General Assembly be provided useful information on the eventual utilization of the funds and the outputs and impact achieved. Such a mechanism does not currently exist for the regular programme of technical cooperation. Basically, the General Assembly is being provided with extensive information on how the money might be used, but is subsequently provided little information on how it was actually used. Suggestions as to how to fill this gap are made later in the present report.

34. Once the budget has been approved, implementing entities take differing approaches to the programming of their respective allocations. It is evident that in implementing entities that devote close to 100 per cent of their regular programme of technical cooperation allocation to advisers' salaries, the main programming instrument for the regular programme of technical cooperation will be the work plan of the adviser and its linkage to the work plan of the substantive division that it serves. Annex III provides further detail on some of the other tools used for programming of the regular programme of technical cooperation.

35. While it is the General Assembly that approves the funding for the regular programme of technical cooperation and the broad criteria for its use, it is the governing bodies of the implementing entities, as well as certain advisory commissions or committees, that help to establish the entity-specific programming priorities. In most cases, governance overview of the use of these funds does not stop with General Assembly approval of the overall budget. While the governing and advisory bodies of individual implementing agencies provide guidance on the use of the funds, formal approval of individual activities normally rests in the hands of the Professional staff. In other words, governing and advisory bodies are not required to approve individual activities.

36. In some implementing entities (or in certain sub-units of those entities that receive regular programme of technical cooperation allocations), linkages to the formal governance process, such as those existing in the regional commissions, are

less direct. In many of those cases however, the unit or division works closely with some type of advisory commission. For example, the Division for the Advancement of Women of the Department of Economic and Social Affairs receives a small allocation of regular programme of technical cooperation resources, which it uses largely to pursue its role in support of the Committee on the Elimination of Discrimination against Women and on the intergovernmental convention that it oversees. The Committee takes an active interest in the technical cooperation work of the Division, particularly to the extent that those activities help countries to develop the capacity to meet their obligations under the Convention. While advising on general priorities, the Committee is not asked to review individual activities. A similar pattern exists in many of the implementing entities that utilize commissions or committees to inform, but not to govern, their work.

37. This ability to assist developing countries to understand, become signatories to and to meet their obligations under, many international agreements and conventions represents valued work for the United Nations system. Owing to the very specialized nature of many of these conventions, while the work is important, it often falls outside of the established priorities of the main voluntarily financed funds and programmes. In other cases, the work may fall within the priorities of other funds and programmes, but the tasks undertaken are often the required preparatory building blocks for larger scale funding from the funds and programmes or from other extrabudgetary resources.

Monitoring

38. Since 73 per cent of regular programme of technical cooperation funds are spent on advisers' salaries, the most critical element is the monitoring of advisers' work plans. As indicated elsewhere in the present report, concerns exist as to whether activities in some implementing entities are monitored to ensure their compliance with the guiding criteria for activities funded by the regular programme of technical cooperation. This situation would arise where managers may condone or request advisers to undertake activities that should be carried out by staff, were the approved posts authorized. Greater discipline in this respect could be achieved through more effective reporting requirements.

39. Most of the individual activities carried out by advisers under the regular programme of technical cooperation are small-scale and of short duration. As a result, the individual activities implemented under the regular programme of technical cooperation do not present the same type of challenges that are encountered in large scale multi-objective projects being executed over an extended time period, which are also supported by advisers.

40. Within the broader context of the monitoring of advisers, two additional monitoring elements are important, namely, (a) whether the key activities are being carried out on schedule; and (b) whether the budget is being respected.

41. For the regular programme of technical cooperation, these issues must be addressed at two levels: that of the implementing entity; and for the regular programme of technical cooperation overall.

42. Monitoring at the level of the implementing agency is not complicated, but requires dedication, owing to the number of activities involved. On the financial side, budgeting is relatively easy, since the cost of advisers' salaries are known.

Other inputs, such as travel and training costs, are easy to estimate. Monitoring these budgets should be straightforward.

43. At the central level, there is very limited monitoring of the substantive activities of the regular programme of technical cooperation. Financial control for the overall programme is assumed by the Office of Programme Planning, Budget and Accounts of the Department of Management. The responsible office authorizes allocations to each implementing agency and receives regular financial reporting through a variety of channels. While financial reporting is consistent, substantive reporting appears to be less disciplined, in the absence of a central substantive responsibility centre. At present, the financial officer can only assume a limited role in monitoring the link between substantive activities and financial reporting. Some measures are currently under consideration to correct this weakness in the current system through improvements in the management information systems.

44. Strengthened central monitoring of the substantive activities of the regular programme of technical cooperation is required and will ultimately depend on better reporting mechanisms.

Performance review

45. Performance review can have a variety of meanings, with two considered relevant here:

(a) Performance of the advisers, whose salaries represent the great bulk of regular programme of technical cooperation spending;

(b) Performance of the activities in terms of their success in achieving developmental impact at both the implementing entity and overall regular programme of technical cooperation levels.

46. Most implementing entities ensure that each adviser has a work plan that is the basis for his or her personal performance review. This assessment uses the United Nations electronic performance appraisal system (e-PAS). The quality of the performance review will be dependent on the quality of the inputs by the assessing manager(s). All implementing entities have a systematic approach in place to assess adviser performance.

47. Each implementing agency uses a variety of tools for assessing the level of client satisfaction. This is generally in the form of feedback questionnaires that are completed shortly after the activity is completed. Some entities now engage in a second process of follow-up, which normally takes place about one year after the completion of the activity. Some entities are currently exploring other forms of evaluation of results through different modalities and different time frames.

48. Assessing the true developmental impact of technical cooperation activities is a difficult task in almost all circumstances. Even for very large technical cooperation interventions, it is difficult to attribute results to individual activities when true impact measurement can only be reflected through progress identified through very broad macro indicators over an extended period of time. If it is difficult for large activities, it is even more so for the very small activities that characterize the regular programme of technical cooperation. For many technical cooperation activities, it is normally more useful to think in terms of activities and outputs, rather than impact.

49. In some of the implementing entities, assessment of the results of the regular programme of technical cooperation is gradually moving from an anecdotal approach to a more systematic effort to compile results data. At the anecdotal level, many entities can point to numerous instances in which regular programme of technical cooperation activities have been essential catalysts in obtaining follow-on funding from other sources. Many highlight the importance of the specialized knowledge of advisers in helping developing countries to effectively address strategic planning processes, such as the poverty reduction strategy papers or the United Nations Development Assistance Framework. Others can point to countries that have acceded to international conventions as the result of the assistance provided, or that have been helped to meet their reporting obligations under such conventions. Many implementing entities highlight the fact that their focus on "training the trainers" is reflected in the absence of recurring demands for services in those areas. These results may be documented in a variety of formats within each individual implementing entity, but at present they are not rolled-up to provide a results assessment for the regular programme of technical cooperation overall.

50. If better and more systematic reporting is required overall, under certain circumstances, it might also be useful to do thematic evaluations (of the type being done for the Development Account) that are relevant to the programme as a whole. For example, if helping countries with their development planning processes is an objective that is common to many, then it could be useful to examine this issue across the breadth of the programme. At present, the lack of a single programme manager for the regular programme of technical cooperation means that there is no one who is mandated to initiate such thematic evaluations.

Reporting and oversight

51. Three levels of reporting are relevant:

(a) Reporting (primarily by advisers) on individual activities undertaken and their results to their managers in the implementing entity;

(b) Reporting by the implementing entity to its own governance or advisory bodies on its use of regular programme of technical cooperation funds and the results achieved;

(c) Centralized reporting to the General Assembly on the activities undertaken and the results achieved by the regular programme of technical cooperation as a whole.

52. There is ample evidence that reporting at the first level is being carried out. Mission and activity reports are standard practice in all of the implementing entities. Evaluative feedback from workshop and seminar participants is also common. Both written and verbal communication between advisers and staff on practical experiences in the implementation of activities at the field level help to influence the direction of ongoing normative and analytical work.

53. Reporting at the second level outlined above varies from entity to entity. All entities report on the regular programme of technical cooperation in terms of both activities and finances for internal management purposes. Many entities also report to their governing or advisory bodies on technical cooperation overall, with varying levels of detail on the linkages between activities and funding sources.

54. While important, owing to its responsive and flexible nature, for most entities, regular programme of technical cooperation funding represents a relatively small portion of their overall technical cooperation efforts. When each entity looks at its technical cooperation activities with its boards, commissions or committees, it is normally more important to discuss the governance functions of goals, strategies, activities and results than to focus on linking activities to funding sources. Distance from the governing body is also an issue. Some entities work much more closely with their governing body or advisory commission than others.

55. It is the third level of reporting that presents the most substantive challenge for the regular programme of technical cooperation. This challenge arises from a series of interrelated factors:

(a) There is no single programme manager designated for the regular programme of technical cooperation;

(b) When the regular programme of technical cooperation was created in 1997, the Department of Economic and Social Affairs did not assume the same responsibility for reporting on it that was exercised by its predecessor departments prior to reorganization;

(c) Some incomplete reporting is still routed through the UNDP/United Nations Population Fund Executive Board, but that information does not cover the entire regular programme of technical cooperation nor all of its implementing entities;

(d) The biennial programme performance report of the United Nations covers performance by budget section but does not include a section for the regular programme of technical cooperation (Sect. 23). Although some entities may include section 23 activities in their overall programme reports, activities funded by the regular programme of technical cooperation are not specifically identified;

(e) The United Nations biennial programme performance report is designed for activities other than technical cooperation and is not the type of integrated substantive and financial reporting that Member States would receive from, for example, the voluntary funds and programmes or from some of the special voluntarily funded programmes of the specialized agencies.

56. This situation leads to a number of negative results:

(a) The General Assembly is placed in the uncomfortable situation of being asked to approve a significant level of resources for each biennium, the detailed use of which will be determined later on the basis of the requests that are received, without receiving any useful reporting on how the funds previously approved were used;

(b) Governance does not have the ability to monitor performance and undertake corrective actions where required;

(c) The regular programme of technical cooperation effectively bypasses useful debates on programmatic themes that take place in organs, such as the Economic and Social Council, the Second (and perhaps the Third) Committee(s), debates which would help to guide the programme substantively and allow it to situate itself among the variety of technical cooperation mechanisms of the United Nations system;

(d) Implementing entities are denied the opportunity to report on the many positive results they achieve through the regular programme of technical cooperation and to build support for it in the General Assembly, not solely on faith, but on demonstrated results.

57. In terms of oversight, the regular programme of technical cooperation has not in recent years been the focus of any focused audit or evaluation activities. The Office of Internal Oversight Services and the Advisory Committee on Administrative and Budgetary Qu stions have commented in the past on various aspects of the functioning of the regular programme of technical cooperation. Most of the comments of the Office of Internal Oversight Services have been raised in the context of broader reviews of one or more of the implementing entities. Comments made in the past include concern over the weak integration of some adviser activities into the work of the substantive divisions and the possible inappropriate use of the regular programme of technical cooperation for functions that are more properly those of regular budget core staff members. At present, the Office of Internal Oversight Services is also considering ways to fill the current reporting gap that exists for the overall programme. There are elements of the regular programme of technical cooperation operations that could benefit from both audit and/or evaluation.

58. In sum, reporting and oversight for the regular programme of technical cooperation overall is inadequate at the central level. As a result, expectations for the programme have not been regularly updated, with the result that they are now unclear. What expectations do exist are not effectively monitored. Such a situation encourages a very liberal interpretation of the guidelines.

IV. Operating modalities of the Development Account

59. The following areas have been determined to be of particular relevance to the review of the Development Account requested in General Assembly resolution 58/270:

- Compliance with the General Assembly-approved mandate and related resolutions
- Methodology and mechanisms currently used for programming and utilization of its resources.

60. The programme manager of the Development Account (the Under-Secretary-General for Economic and Social Affairs) has made extensive use of web-based technology to assist in the management of the account. Much of the programming and implementation cycle is now developed and monitored through electronic means based on the information and instructions provided on its web site. Considerable detailed information on the Development Account and on individual projects is available at www.un.org/esa/devaccount.

Compliance

61. The mandate approved by the General Assembly for the Development Account calls for application of the following specific elements:

(a) The Development Account is to support the approved programmes of the strategic framework;

(b) The Development Account programme should complement the other relevant sections of the programme budget;

(c) Approved projects should:

(i) Have multiplier effects and promote capacity-building in developing countries;

(ii) Promote regional and interregional economic and technical cooperation among developing countries;

(iii) Use available human and technical resources from the developing regions.

62. The General Assembly has revisited the guidelines for the use of the Development Account on a number of occasions in considering new budget proposals and in reviewing performance reports. The Development Account programme manager currently uses the following criteria to assess and prioritize requests for funding. These criteria are fully consistent with the decisions of the General Assembly:

(a) Demonstrate the benefits accruing in building national capacities;

(b) Utilize the technical, human and other resources available in developing countries;

(c) Have multiplier effects and promote capacity-building in developing countries;

(d) Promote regional and interregional economic and technical cooperation among developing countries;

(e) Lead to some durable, self-sustained process and have synergies with other development interventions;

(f) Be executed within two bienniums (projects approved in the budget for 2004-2005 must be completed at the latest by December 2007).

63. Bearing in mind that these projects have already been reviewed and approved by the General Assembly, to test compliance with the approved mandate of the Development Account, a randomly selected sample of five projects from those approved for the biennium 2004-2005 was reviewed. At the time the projects were selected (about six months after approval by the General Assembly of the budget), the final project documents for 5 of the 23 approved projects had not yet been approved by the programme manager. The 5 sample projects were selected from the 18 documents that had been approved. Although selected at random, it turned out that all projects had different lead implementing entities. Since the Development Account is managed in a manner that seeks to promote cooperative efforts among the various implementing entities, this criterion was added to the list addressed in table 2 below.

Table 2
Selection of Development Account projects against guiding criteria

	Project 1	*Project 2*	*Project 3*	*Project 4*	*Project 5*
Capacity-building	Yes	Yes	Yes	Yes	Yes
Use of resources of developing countries	High	High	Medium-High	High	Medium-High
Multiplier effects	Possible	Possible	Probable	Improbable	Probable
Promotes cooperation among developing countries	Subregional basis only	Regional and interregional	Regional and interregional	Regional	Subregional, regional and interregional
Sustainable result	Possible	Probable	Probable	Improbable	Probable
Executed within two bienniums	Yes	Yes	Yes	Yes	Yes
Multiple United Nations entities	No	Yes-3	Yes-5	No	Yes-8

64. Caution needs to be exercised in interpreting the above table. Two of the criteria involve judgements about future events: multiplier effects and sustainable results. The judgements of the project managers on these future oriented criteria may be just as valid as those reflected in the above table. Good planning does not always guarantee good results, although it improves that probability.

65. If the "future oriented" criteria are removed from the above list, it is evident that, in most cases, those elements that are controllable at the planning stage are being addressed within the established criteria. For the "non-future oriented" criteria, all but one were effectively addressed in each project document. The criterion "use of resources of developing countries" was not always specifically addressed. Judgements on this criterion involved interpreting data from other sections of the document. In general, it can be concluded that most of the projects met all of the programme criteria.

Programming and utilization methodologies

66. The main steps that apply to the programming of the Development Account are outlined in annex IV. To test adherence to the required project format (also outlined in annex IV), the same five projects were assessed. No chart was prepared because all the projects essentially met the requirements of the programme manager. They all contained all of the elements outlined in the paragraph above, most perhaps erring on the side of overfilling, rather than falling short of the requirements.

67. Developing a project document according to a highly disciplined and detailed framework has many advantages. Regardless of the quality of the framework, the quality of the document overall is dependent on the material contained within the framework. In the case of the Development Account projects reviewed, the overall quality was high. The weaknesses were mostly related to the use of the "objectively

verifiable indicators" that would be used to measure results. Technical cooperation is oriented to the development of human resources and institutions. Such an orientation makes true impact extremely difficult to measure at the micro level and in the short term. Other than output assessment, verifying results for small-scale technical cooperation activities is very difficult. The implementing entities have been extremely thoughtful in attempting to find verifiable indicators and, in general, have managed to think through their responses credibly.

68. What is sometimes less credible is the extent to which the indicators meet two of the programme manager's requirements for indicators, namely that: (a) the indicator must be attainable at reasonable cost; and (b) indicators must be useful in influencing management of the project and not just an indicator of its results ex post facto. Some of the indicators proposed would seem to entail data-gathering exercises the cost of which would be out of proportion to the cost of the project. Secondly, correcting the course of a project with a budget of $600,000 to be implemented over four years is an entirely different challenge than that of correcting the course of a programme with a $60,000,000 financial framework and a time frame of a decade. Technical cooperation managers involved in projects funded by the Development Account and the regular programme of technical cooperation are showing remarkable creativity in this area, but the expectations may be unrealistic.

69. The programme manager for the Development Account provided a comprehensive third progress report on the implementation of projects financed from the Development Account to the General Assembly at its fifty-eighth session (A/58/404). The report provided information on the lessons learned in managing the Development Account to date, presented some narrative assessments of the impact achieved from a selection of completed projects and reported on two thematic evaluations carried out on two sectoral groupings of projects (sustainable development and statistics). The programme manager was asked to move to a biennial reporting basis in parallel with the budget approval process. The results reported were quite positive and reflected generally useful results for relatively small expenditures. The narrative results provided were appropriate in that they reflected a realistic assessment of the type of reporting that can be both useful and cost-beneficial for projects of this size. It might be useful to consider providing a brief summary of results in similar form on all projects completed within the biennium as part of the next report.

70. In sum, the Development Account is well managed and no substantive changes are required in the areas of programming and utilization. The problem of implementation slippage that has been commented on by the General Assembly is being addressed and improvement is evident. This remains a priority for the programme manager.

V. Main issues

71. From the review of the operations of the two programmes several main issues have been identified, as follows:

1. Relevance of the regular programme of technical cooperation and the Development Account;

2. Use of advisers as the prime delivery mechanism for the regular programme of technical cooperation;

3. Fundamental options for the future of the regular programme of technical cooperation;

4. Reporting and designating programme manager(s) for the regular programme of technical cooperation.

Issue 1
Relevance of the regular programme of technical cooperation and the Development Account

72. The shift in the role of UNDP from being the central funding agency for technical cooperation activities for all entities of the United Nations system has led to a gap in funding. This gap essentially arises from the now limited interest of UNDP in funding four types of activities that are funded by the regular programme of technical cooperation and the Development Account: (a) small-scale responsive activities that build on the normative and analytical expertise of a variety of United Nations organizations; (b) small activities that, while important, fall outside of the UNDP programme priorities; (c) assisting many developing countries to prepare basic development planning mechanisms, such as poverty reduction strategy papers and the United Nations Development Assistance Framework; and (d) assisting many developing countries to understand, adhere to and meet their obligations under a variety of international agreements and conventions housed within the United Nations system. The loss of UNDP funding for these types of activities is exacerbated by the increasing trend of bilateral donors to earmark funds according to a limited set of priorities, combined with a reduced interest in small project activities because of the management costs entailed. Despite the general trend of development assistance towards more strategic programme interventions, both the regular programme of technical cooperation and the Development Account play an important ongoing role in support of broader objectives.

73. The Development Account is important to the United Nations system as a whole, in that it:

(a) Is complementary to regular programme of technical cooperation funding, in that it allows implementing entity staff to address important issues from the perspective of the broader agreed thrusts of the United Nations system as a whole;

(b) Allows a more systemic approach to be taken and encourages broader complementarity of action between United Nations organizational entities by encouraging multi-entity cooperative projects;

(c) Allows the entities to engage on key issues in more depth and over a longer time frame;

(d) Allows the United Nations to act in sensitive areas with greater neutrality than might be possible with projects dependent on extrabudgetary funding, which normally reflects donor priorities;

(e) Can be used in combination with other regular budget, extrabudgetary and technical cooperation activities to create positive synergies and to increase the overall effectiveness and efficiency of a relatively small pool of funds;

(f) Does valuable work, as confirmed by the thematic reviews carried out to date.

Issue 2
Use of advisers as the prime delivery mechanism for the regular programme of technical cooperation

74. The fundamental purpose of the regular programme of technical cooperation historically has been to provide advisory services through specially recruited advisers. Guidance on the delivery of advisory services was provided to the General Assembly in the report of the Secretary-General dated 20 September 2002 (A/57/363), in which advisory services are defined as:

> "A specific modality of technical cooperation that a United Nations entity extends to developing countries and countries in transition, drawing on its substantive field of normative and analytical expertise, in order to produce learning and knowledge that serve to support and advance their capacity-building efforts, by (a) responding to requests of Governments for urgent on-the-spot (emphasis added) advice on policy-related issues; (b) providing Governments with specific advice on sectoral matters relevant to their country programmes; and (c) assisting Governments in the formulation of projects and in programme evaluations leading to the enhancement of national programmes" (para. 3).

75. For some, the concept of advisory services to requesting developing countries assumes that those services will be provided in the requesting country. This is the concept outlined in the Secretary-General's statement referenced above when the advisory function is partially described as "responding to requests of Governments for urgent on-the-spot advice on policy-related issues". It can however be argued that the "on-the-spot" concept applies only to the provision of advice on policy-related issues, as it has not been repeated for the functions of "advice on sectoral matters" or for advice on the "formulation of projects". This is an important question with implications for the role advisers are expected to play. If it is accepted that advisers can perform their functions just as well at Headquarters as in the field, then differentiating between the functions of staff and advisers, as well as monitoring the appropriate utilization of advisers, is more complicated.

76. A number of concerns have been raised about the role of advisers today, ranging from the difficulties of differentiating between staff and adviser functions to the extensive involvement of advisers in project preparation activities that could risk being supply rather than demand driven. Others however maintain that the increasing integration of adviser activities with those of staff simply reflects the optimal use of limited human resources. The use of advisers for project preparation simply reflects the new realities of project funding in the United Nations system. The issue of adviser use is addressed more extensively in annex V.

77. The issue of adviser use is very complicated. The key points are summarized below:

(a) The current criteria for the regular programme of technical cooperation do not, as some believe, require adviser functions to be carried out largely in the field;

(b) The demarcation between the work of staff and advisers is being increasingly blurred;

(c) The use of advisers to fill positions for which no permanent staffing authorities exist is an open secret for some implementing entities;

(d) Some of these "shadow-staffed" positions are directly in support of technical cooperation while others may be more distanced from technical cooperation;

(e) Project preparation is an increasingly large portion of the work of some advisers;

(f) These situations combined make it extremely important to:

(i) Clarify the intent of the programme;

(ii) Develop reporting modalities that will allow that intent to be monitored.

Issue 3

Fundamental options for the future of the regular programme of technical cooperation

78. The basic options for the future of the regular programme of technical cooperation are the following:

(a) Eliminate the regular programme of technical cooperation and to effect the savings;

(b) Transfer current regular programme of technical cooperation funds to the regular programmes of the implementing entities by:

(i) Adjusting each programme's base budget level upwards to reflect its present share of section 23 funding;

(ii) Adjusting each programme mandate to require a service similar to that of the regular programme of technical cooperation;

(iii) Not tracking the (former) section 23 funds separately;

(iv) Eliminating Section 23 as a separate programme;

(c) Option (b), except that each entity would track its regular programme of technical cooperation activities by establishing a separate subprogramme for technical cooperation in which the use of the funds transferred from the regular programme of technical cooperation would be used for similar purposes and accounted for separately;

(d) Maintain the current structure of the regular programme of technical cooperation as a separate budget section, but to improve programme efficiency and effectiveness through clarification of the programme's objective and criteria and a significant improvement of performance monitoring and reporting;

(e) Maintain the current structure, objective and criteria of the regular programme of technical cooperation, but better assess the entities' use through individual audits;

(f) Accept the programme as it currently functions.

79. Options (a) and (f) are not addressed in any detail. The implications of the two options are fairly evident. Option (a) is unlikely to receive much support and the basic objectives of the regular programme of technical cooperation are useful and would be lost. Option (f) allows for the continuation of a rather confusing situation. Under Option (f), any opportunity to clarify the guidelines for the use of advisers would be lost.

80. Option (b) would eliminate any artificial line that currently exists between the use of advisers and staff, in that it would presumably entail the end of the adviser positions. It would also likely entail the end of the technical cooperation services as currently expected under the regular programme of technical cooperation, since the funds would lose their identity and would most likely be quickly swallowed up by the other activities of the implementing entity.

81. Option (c) would see the disappearance of the regular programme of technical cooperation and section 23, but would, on the other hand, see the creation of separate technical cooperation subprogrammes in each programme. These could be established with base funding levels equal to the amounts transferred from the regular programme of technical cooperation. Reporting and budgeting would be simplified, in that all the activities for a programme would be presented in one section, ensuring completeness. This would, however, also remove the ability to look at all of these "regular programme of technical cooperation-type" functions on a consolidated basis for all of the programmes. The funds initially allocated to the technical cooperation subprogramme would have to be restricted as to use, or they would likely be swallowed up by other programmes.

82. Option (d) would preserve the present budget structure and general operating modalities. How the programme is to be used would have to be clarified and certain central performance yardsticks would need to be developed. Budgeting and reporting would be on a "rolled-up" basis for all activities regardless of their implementing entities. Individual programme reporting (as in the programme performance report) would therefore continue to be incomplete, in that it would not cover regular programme of technical cooperation (or Development Account) activities. This approach would require a much better reporting structure for section 23 as a whole that links finances, activities and results.

83. Option (e) would leave the programme largely as it is, but should be accompanied by a better reporting structure. It would be difficult under this option to develop any universally applicable central performance monitoring indicators. Addressing the issue on adviser use would have to be on the basis of individual audits.

84. While all options are possibilities, the most realistic alternatives are options (c) and (d).

Issue 4

Reporting and designating programme manager(s) for the regular programme of technical cooperation

85. The weakness in the current reporting structure for the regular programme of technical cooperation has been outlined earlier and is at least partially linked to the lack of a single programme manager for the regular programme. Two questions flow directly from this assessment:

(a) Should a single responsible manager for the regular programme of technical cooperation be designated (as is the case with the Development Account)?

(b) How can reporting be improved on the overall activities of the regular programme of technical cooperation?

86. The value of the regular programme of technical cooperation rests in its decentralized management and its ability to be a mechanism for quick response in meeting the needs of developing countries, where those needs are best met by accessing the expertise that has been developed in the implementing entities through the exercise of their normative and analytical functions. These positive characteristics should not be diluted by designating a single programme manager for the regular programme of technical cooperation. Nevertheless, it is important that a clear line of accountability exist for the effective and efficient use of regular programme of technical cooperation resources. In this regard, it would be appropriate to designate the executive head of each implementing entity as the responsible programme manager for the regular programme of technical cooperation funds allocated to that entity.

87. Some type of central programme coordination is still required. There must be a capacity to prepare certain documentation on a consolidated basis, given the fact that the regular programme of technical cooperation is budgeted and approved on an overall basis. This would also entail some reporting function on a consolidated basis. This coordination function requires a programme orientation rather than the largely financial orientation of the current role of the Office of Programme Planning, Budget and Accounts. It is appropriate that the Department of Economic and Social Affairs be designated as the overall coordinator (but not programme manager) for the regular programme of technical cooperation, on the virtue of its role as a key user of the regular programme and its working proximity to the central financial and governance functions located in New York. The respective functions of the coordinator and the programme managers are addressed later.

88. Such an approach still requires a determination of the type and frequency of reporting to be undertaken. In this respect, the following four different approaches merit consideration:

(a) Utilizing the budget fascicle to report in a succinct manner on the results achieved with the funds approved for the previous biennium (e.g. 2002-2003 report with 2006-2007 budget);

(b) Using the United Nations programme performance report by specifically reporting on the utilization of regular programme of technical cooperation funds in the relevant programme chapter for each implementing entity;

(c) Creating a section of the programme performance report specifically for the regular programme of technical cooperation (sect. 23) with an introductory section for the programme as a whole to be prepared by the programme coordinator and with a succinct presentation by each implementing entity covering its regular programme of technical cooperation activities, outputs and impact;

(d) Creating, as is the case with the Development Account, a separate report on regular programme of technical cooperation activities outputs and impact, with a structure and responsibilities similar to those outlined in option (c) above.

89. The advantages and disadvantages of each option are addressed briefly in annex VI.

90. Assuming the regular programme of technical cooperation is maintained as a separate programme with its own budget section, option (a) is the preferred option. A fully satisfactory alternative would be option (d). The two options that involve reporting on the regular programme of technical cooperation through the programme performance report are considered to be less satisfactory, as the current programme performance report format is not considered to meet the minimal standards that should apply to this type of technical cooperation.

91. On the content of the reporting to be provided, a reporting format has already been suggested in the most recently approved programme budget document for section 23.[4] Additional work is being done to attempt to make the impact reporting more meaningful. This would include addressing issues such as: projects prepared, follow-up funding generated, conventions signed or reporting obligations met; new legislation or policies adopted by the countries served.

92. It would be useful if certain basic statistical data were to be provided in a common format by all implementing entities. One possible approach to this is included in annex VII, but each entity should also be obliged to report on substantive accomplishments using the indicators that are most relevant to that entity. If this expectation is made clear, it will ultimately prove possible to achieve a much more complete understanding of the accomplishments of the programme as a whole. It will also be possible to compare the approaches of individual entities to the challenge of demonstrating results.

93. There is one additional reporting question that should be considered, namely, to whom should the performance reporting be submitted? In the past, reporting on the regular programme of technical cooperation has been provided through a variety of channels. At one point, reporting flowed through the (then) UNDP Governing Council, then to the Economic and Social Council and the Second Committee. Budgetary requests on the other hand flow through the Committee for Programme and Coordination, the Advisory Committee and the Fifth Committee. Since regular programme of technical cooperation reporting has been largely non-existent for the past six or seven years, the development side of United Nations governance in New York has essentially lost sight of the programme. The only documentation flow has been for the budget itself, which goes through the Committee for Programme and Coordination, the Advisory Committee and then to the Fifth Committee. This should be rectified by reporting on the substantive work of the regular programme of technical cooperation and the Development Account through the Economic and Social Council and the Second Committee.

VI. Proposals for the regular programme of technical cooperation

Proposal 1
Fundamental options for the future of the regular programme of technical cooperation

94. Two options were considered to be viable for the future of the regular programme of technical cooperation:

(a) Eliminating section 23 by allocating on a pro rata basis its resources to technical cooperation subprogrammes within each programme section, while implementing measures to ensure that the resources are protected for the use of developing countries according to the objectives and criteria outlined below;

(b) Retaining the regular programme of technical cooperation by maintaining section 23 and by improving the programme by updating its objective, criteria, management responsibilities and reporting arrangements as outlined below.

95. It is considered that option (b) is the most suitable. The logic of a single fully-integrated budget and reporting structure by United Nations budget programme is appreciated. However, the process of integrating regular programme of technical cooperation resources into the individual programmes could prove to be complex and would present an important challenge in the safeguards that would have to be developed to ensure the resources continued to be used for the intended purposes. In operational terms, it is not evident that restructuring into the programmes would create opportunities for more effective management.

Proposal 2
Mandate and criteria for the regular programme of technical cooperation

96. It is proposed that the objective for the regular programme of technical cooperation be rewritten to better reflect its role within the United Nations system. The following wording, which is based on the Secretary-General's statement of 20 September 2002 (see A/57/363, para. 3) is submitted for consideration:

> The objective of the regular programme of technical cooperation is to extend technical cooperation assistance through the most appropriate mechanisms to developing countries and countries in transition, drawing on the substantive field of normative and analytical expertise of the implementing entity, in order to produce learning and knowledge that serve to support and advance the countries' capacity-building efforts by (a) responding to requests of Governments for urgent advice on policy-related issues; (b) providing Governments with specific advice on sectoral matters relevant to their development strategies and programmes; and (c) assisting Governments in the formulation or evaluation of programmes and projects leading to the enhancement of national programmes.

97. Despite the wording provided above, which tends to be open-ended on the nature of the project preparation activities to be undertaken, the General Assembly may wish to further clarify its intentions for this type of activity (see discussion in paras. 26-28).

98. In proposing criteria, it is evident that they should flow smoothly from the objective as stated above. It is useful to recall again that these criteria will govern the programme as a whole, but must also allow for the secondary level of criteria that will be applied by the individual implementing entity that is responsible for the decentralized management of its own regular programme of technical cooperation allocation according to its own governance approved priorities. Certain criteria that have existed previously do not reappear below because they may not be relevant to the strategic priorities of one or more of the implementing entities. Those that are suggested below should be relevant to all implementing entities, regardless of their individual priorities:

(a) Activities should be primarily responsive to the requests of developing countries and be of a short term nature (i.e., conceived and implemented within less than two calendar years);

(b) Activities should fall within one of the implementing entity's priority areas as mandated by its governing body and on which the implementing entity plays a demonstrable leadership role in normative and analytical functions;

(c) Activities should build capacity in developing countries, including for meeting treaty and related normative obligations, and have a secondary objective to provide information, through the feedback of experience gained in developing country realties, on the normative and analytical functions of the implementing entity;

(d) Activities that aid in the preparation of specialized components of a country's development strategy or that help to prepare requests for larger-scale funding from other sources are encouraged;

(e) The modalities used for the delivery of the technical cooperation are intended to be flexible, utilizing those best suited to the objective being pursued, including, but not limited to, advisers, consultants, training, distance learning, knowledge networks and field projects.

Proposal 3
Reporting arrangements

99. The following summarizes the proposals for reporting on the regular programme of technical cooperation.

100. First, the Under-Secretary-General for Economic and Social Affairs should be designated as the programme coordinator for the regular programme of technical cooperation. This coordinating role would entail the following functions:

(a) Developing with other interested parties a suitable format for the budget fascicle;

(b) Ensuring that the introductory section of the budget fascicle which deals with the programme overall is appropriate, reflecting the programme's evolution and the cumulative impact of governance decisions;

(c) Ensuring the ongoing relevance of the General Assembly-approved criteria that govern the operations of the regular programme of technical cooperation overall;

(d) Developing a suitable reporting format for the regular programme of technical cooperation in consultation with the other interested parties;

(e) Rolling-up on a biennial basis the reports received from implementing entities into a single comprehensive report on regular programme of technical cooperation activities;

(f) Managing, as may from time to time be required, cross-entity thematic evaluations of the regular programme of technical cooperation that are relevant to the learning and governance processes and which would be funded by reserving a portion of approved regular programme of technical cooperation funds for this purpose.

101. Second, the executive head of each implementing entity should be designated as the programme manager for the funds allocated to it under the regular programme of technical cooperation. In addition to the overall responsibility for the good management of the regular programme of technical cooperation funds allocated, the programme managers would be responsible for:

(a) The content of their individual sections of the budget fascicle within a common structure to be developed by the programme coordinator in consultation with the interested parties;

(b) Reporting on their utilization of the approved funds on the basis of activities, outputs and impact;

(c) Responding to other accountability requests related to the regular programme of technical cooperation funds allocated to them.

102. Third, the preferred option is to use the budget fascicle to present both the request for new programme funding and to report on the previous but one biennium (i.e., reporting on the biennium 2002-2003 would be presented with the funding request for 2006-2007), as it would link budget approval to reporting on past performance. An alternative would be to report separately (outside of the United Nations programme performance report) as is currently the case for the Development Account. This approach has the advantage of resulting in a report that would be more useful for the review by the Economic and Social Council and the Second Committee, as recommended below.

103. Whatever the ultimate tool selected, it is recommended that the report contain the following basic information:

(a) A succinct overview of the programme as a whole, including statistical data on a rolled-up basis (responsibility of the programme coordinator);

(b) Basic disbursement and adviser time-allocation data (see annex VII) prepared in a uniform format by each implementing entity for the funds disbursed by it (responsibility of each programme manager);

(c) A succinct narrative section for each implementing entity which deals with questions such as utilization of resources by priority of the entity, activities, outputs and impact (responsibility of each programme manager).

104. Fourth, in addition to the bodies involved in budget approval, the regular programme of technical cooperation performance report should be submitted to the Economic and Social Council and to the Second Committee.

Proposal 4
Audit of the regular programme of technical cooperation

105. A number of proposals are made above that are intended to clarify the objectives, criteria and operating modalities of the regular programme of technical cooperation. Since the use of advisers is one of the contentious issues, if the General Assembly clarifies these issues by adopting a new objective statement or new criteria for the programme, it would be useful to audit the implementation of that new guidance, including the use of advisory services, at an appropriate point in the future. Presumably this would not prove productive until the programme had operated under the new guidance for at least one biennium. This would mean that an

audit could be considered for 2008 or later. An audit at the present time would likely only confirm that the current guidelines are being interpreted in many different ways.

VII. Proposals regarding the Development Account

106. There are no recommendations to be made to improve the efficiency, effectiveness, project formulation, complementarity, implementation and evaluation of the Development Account. The programme is being well managed and is operating in a manner that is fully consistent with its General Assembly-approved directions.

Proposal 5
Approve a statement of objective for the Development Account

107. It would be useful to ensure a clear ongoing mandate for the Development Account, not only through the approved criteria, but also through an approved statement of objective for the programme. The following is suggested as possible wording for the objective:

> The objective of the Development Account is to fund medium-term technical cooperation projects (up to four years for implementation, following approval of the project document) in the priority areas of the implementing entities and that benefit multiple developing countries by encouraging cooperative efforts between various United Nations programmes in innovative cross-sectoral and regional or interregional activities and which are based mainly on the technical, human and other resources available in developing countries.

Proposal 6
Funding arrangements for the Development Account

108. The initial funding level for the Development Account was established in 1997 on the basis of savings from reductions in administration and other overhead costs identified in the Secretariat from the reform programme of the Secretary-General. The General Assembly also established the savings identified at that time as the base level of funding for future years, with future verifiable and sustainable savings to be added to the account.

109. While this latter provision was well intentioned, its impact has been that no further savings have been identified. While unintended, this is not a good result. It was perhaps excessively optimistic to expect managers to identify savings in their own activities that would then automatically be reallocated to another programme. While removing this provision does not necessarily guarantee that further savings will be identified, its continued existence almost guarantees that they will not. For this reason, it is considered that the provision overall is counter-productive and should be rescinded by the General Assembly. Any future increase in funding levels for the Development Account should be considered in the light of competing priorities that exist for the use of the overall United Nations programme budget.

VIII. Combining sections 23 and 35 into one budget section (with one or two parts)

110. The regular programme of technical cooperation has a funding pattern that has been stable and only inflation-adjusted for many years. Although it has a much shorter history, the funding base for the Development Account has been similarly clearly established. Given these separate histories and the rather different nature of the two programmes, it is unlikely that combining the two programmes into one budget section with two separate parts would actually lead to any transfers between those parts under the discretional authority delegated to the Secretary-General.

111. Any decision to place both accounts into a single budget section should therefore be based on administrative and governance efficiency criteria, such as:

(a) Savings in documentation requirements;

(b) Savings in the time required for governance processes within the Committee for Programme and Coordination, the Advisory Committee and the Fifth Committee;

(c) Any resulting presentational benefit in reducing the number of United Nations budget sections.

Proposal 7
Combine sections 23 and 35 into one section with two parts

112. It is doubtful that any significant reduction in documentation would be achieved through this process. It is nevertheless possible that some savings in governance time and perhaps a better informed discussion could be achieved if the two programmes of the regular budget devoted exclusively to technical cooperation could be considered together. A slightly simplified overall United Nations budget structure would also result from the elimination of one budget section. Since there would appear to be little downside and some modest benefits, it is proposed that the General Assembly consider a single budget section with two separate parts.

IX. Conclusion

113. **The General Assembly may wish to consider what action it wishes to take with regard to the report and the proposals contained in sections VI, VII and VIII.**

Notes

[1] In paragraph 48, the General Assembly requested the Secretary-General to undertake a fundamental and comprehensive review of the regular programme of technical cooperation and to make appropriate proposals to the General Assembly at its fifty-ninth session.

[2] In paragraph 58, the Secretary-General was requested to submit a comprehensive report to the General Assembly at its fifty-ninth session addressing possible measures to improve the performance of the Development Account, including ways and means aimed at bringing a more focused approach to project formulation, complementarity, implementation and evaluation, as well as to make proposals on increasing its funding in accordance with General Assembly resolutions 52/12 B of 19 December 1997 and 54/15 of 29 October 1999.

[3] A/58/6 (Sect. 23), table 23.3, footnote a.

[4] See ibid., table 23.1.

Annex I

Criteria for the regular programme of technical cooperation

The most extensive set of guidelines enunciated for the regular programme of technical cooperation were prepared by the former Department of Technical Cooperation for Development of the Secretariat and were discussed and accepted by the Governing Council of the United Nations Development Programme (UNDP) in 1980. These criteria were the following:

(a) Given the constraint of resources, their optimum use is more important than ever;

(b) They must be directed to activities likely to have significant impact on the development process;

(c) By the same token, they must have a demonstrated multiplier effect;

(d) They must reflect the global development priorities enunciated by the General Assembly, the Economic and Social Council and other legislative bodies, concerning implementation of a new international economic order, the International Development Strategy, technical cooperation among developing countries and related concerns;

(e) They must also accord with the development needs and priorities of individual countries;

(f) However, because they are so limited, resources will not normally be invested in country projects unless these are clearly of a pilot and innovative character, the results of which can be given wider application;

(g) Specific projects should have a limited duration so that funds are not tied up for prolonged periods. This underlines the need for bridging arrangements with other, better-endowed funds (e.g. UNDP) once the trailblazing activity has produced positive results;

(h) Emphasis should be laid on assisting the least developed countries;

(i) Regular programme funds should go to improving specific "process" aspects of technical cooperation in response to General Assembly or Economic and Social Council resolutions or UNDP Governing Council decisions;

(j) While the special and separate character of the regular programme must be observed, it may be necessary, because its funds are so limited, to use them in mutually complementary fashion, and even interchangeably, with other sources.

Over the years, three additional guidelines have emerged:

1. The resources should be concentrated in those fields of activity considered as high priority by the international policy-making bodies but less favoured in other programmes of technical cooperation;

2. The resources should be considered as "trailblazer" resources, opening new activities, on a pilot or experimental basis, which might then be taken up by other better-endowed funds once their viability has been shown;

3. The resources should be used to fill gaps where funds from other sources are insufficient to cover special areas.

Annex II

Regular programme of technical cooperation: expenditures for the biennium 2002-2003

	Disbursement	*Percentage*	*Percentage of the total regular programme of technical cooperation*
ECLAC			
General temporary assistance	3 132 975	66	
Consultants and experts	635 149	13	
Other personnel-related costs	125 230	3	
Travel on official business	765 200	16	
Contractual services		0	
General operating expenses		0	
Other		0	
Training	73 251	2	
Subtotal	**4 731 805**	**100**	**10.8**
ECA			
General temporary assistance	5 431 044	76	
Consultants and experts		0	
Other personnel-related costs		0	
Travel on official business	750 436	10	
Other	68 100	1	
Contractual services		0	
General operating expenses		0	
Training	937 712	13	
Subtotal	**7 187 292**	**100**	**16.4**
ECE			
General temporary assistance	2 663 890	93	
Consultants and experts		0	
Other personnel-related costs		0	
Travel on official business	195 984	7	
Other		0	
Contractual services		0	
General operating expenses		0	
Training		0	
Subtotal	**2 859 874**	**100**	**6.5**

	Disbursement	*Percentage*	*Percentage of the total regular programme of technical cooperation*
ESCAP			
General temporary assistance	2 265 100	52	
Consultants and experts	758 666	17	
Other personnel-related costs		0	
Travel on official business	256 771	6	
Other		0	
Contractual services		0	
General operating expenses		0	
Training	1 095 036	25	
Subtotal	**4 375 573**	**100**	**10.0**
ESCWA			
General temporary assistance	3 173 103	93	
Consultants and experts	5 588	0	
Other personnel-related costs		0	
Travel on official business	236 033	7	
Other	4 950	0	
Contractual services		0	
General operating expenses		0	
Training		0	
Subtotal	**3 419 674**	**100**	**7.8**
UNCTAD			
General temporary assistance	1 979 358	95	
Consultants and experts		0	
Other personnel-related costs		0	
Travel on official business	97 078	5	
Other		0	
Contractual services		0	
General operating expenses		0	
Training		0	
Subtotal	**2 076 436**	**100**	**4.7**
UNDCP/Centre for International Crime Prevention			
General temporary assistance	1 021 700	72	
Consultants and experts	77 756	5	
Other personnel-related costs		0	
Travel on official business	132 536	9	
Other	18 882	1	

	Disbursement	*Percentage*	*Percentage of the total regular programme of technical cooperation*
Contractual services	12 240	1	
General operating expenses		0	
Training	152 412	11	
Subtotal	**1 415 526**	**100**	**3.2**
Department of Economic and Social Affairs			
General temporary assistance	9 408 806	72	
Consultants and experts	627 475	5	
Other personnel-related costs		0	
Travel on official business	1 171 064	9	
Other	17 621	0	
Contractual services	179 610	1	
General operating expenses	157	0	
Training	1 714 202	13	
Subtotal	**13 118 935**	**100**	**29.9**
Office for the Coordination of Humanitarian Affairs			
General temporary assistance	695 402	72	
Consultants and experts	47 322	5	
Other personnel-related costs		0	
Travel on official business	5 946	1	
Other		0	
Contractual services		0	
General operating expenses	39	0	
Training	213 277	22	
Subtotal	**961 986**	**100**	**2.2**
Office of the United Nations High Commissioner for Human Rights			
General temporary assistance	1 223 973	44	
Consultants and experts	118 173	4	
Other personnel-related costs	237	0	
Travel on official business	946 581	34	
Other	18 679	1	
Contractual services	9 634	0	
General operating expenses	50 250	2	
Training	411 758	15	
Subtotal	**2 779 285**	**100**	**6.3**

	Disbursement	*Percentage*	*Percentage of the total regular programme of technical cooperation*
UN-Habitat			
General temporary assistance	866 062	89	
Consultants and experts	4 184	0	
Other personnel-related costs	18 831	2	
Travel on official business	66 677	7	
Other	7 528	1	
Contractual services		0	
General operating expenses	11 388	1	
Training		0	
Subtotal	**974 670**	**100**	**2.2**
Total			
General temporary assistance	31 861 413	72.6	
Consultants and experts	2 274 313	5.2	
Other personnel-related costs	276 834	0.6	
Travel on official business	4 491 770	10.2	
Other	135 760	0.3	
Contractual services	201 484	0.5	
General operating expenses	61 834	0.1	
Training	4 597 648	10.5	
Grand total	**43 901 056**	**100.0**	**100.0**

Annex III

Modalities in use for programming of regular programme of technical cooperation funds

The following paragraphs contain some examples of some of the programming tools that are used.

1. Call letters: the coordination units (often the technical cooperation divisions) of some entities circulate formal letters to the substantive divisions requesting proposals for the use of the funds that are consistent with the overall guiding criteria for the regular programme of technical cooperation and with the entity's own priorities as determined by its governing body. Call letters are not intended to lock up all of the regular programme of technical cooperation allocation through advanced planning, since they also allow for urgent requests to be submitted for funding outside of the call letter process to maintain the ability to respond to urgent needs.

2. Substantive division work plans: most substantive divisions prepare annual or biennial work plans that include their anticipated technical cooperation activities, including those funded by the regular programme of technical cooperation.

3. Adviser work plans: in most entities, each sectoral or regional adviser prepares a work plan for his or her own activities. In most cases, these individual work plans are clearly linked to the broader work plan of the substantive division which they serve. Since the advisers are exclusively dedicated to technical cooperation activities, the work plans position the regular programme of technical cooperation and other sources of technical cooperation within the broader divisional strategy.

4. One regional commission with a well-balanced disbursement pattern between salaries, travel and training programmes has been using the following processes:

(a) The regional commission has a technical cooperation plan that encompasses all of its technical cooperation activities. The plan is approved by the commission and performance reporting is provided after the fact;

(b) Staff circulate a document to the Government members of the commission outlining the availability of regular programme of technical cooperation funds for advisory services and indicating the priority sectors in which services are available;

(c) Technical cooperation unit staff circulate a memorandum at the beginning of the planning cycle to all substantive divisions that requests submissions, outlines the need to maintain flexibility for urgent requests, outlines the criteria guiding the use of the funds (which combines the overall guiding criteria for the regular programme of technical cooperation and the regional commission's own supplemental criteria), outlines the monitoring and reporting that will be required for each approved activity and outlines the type of information that will be required to allow for follow-up evaluation;

(d) Each adviser prepares a personal work plan in a standardized format (which includes goals, actions and performance indicators) that must be fully integrated with the work plan of the substantive division and which must be approved by the substantive division head;

(e) Each individual activity has its own log frame, as the regional commission has fully moved to a results-based management approach for all technical cooperation activities;

(f) Each individual activity has a required reporting framework that varies according to the size of the activity and includes such elements as feedback questionnaires for participant evaluation of activities and progress and terminal reports according to the standard formats of the regional commission;

(g) This regional commission is now assessing ways in which limited thematic or issue evaluation activities might also be pursued.

5. The approach of this regional commission appears to effectively address the need to balance planning according to key priorities with the need to remain responsive. Most implementing entities have equivalent versions of this type of process. Many are not so sophisticated, but the basic elements are there to allow reasonable confidence that programming effectively links the overall criteria, the entity-specific criteria and responsible management.

Annex IV

Main steps in programming the Development Account

1. The following represent the main steps:

(a) An overall theme for the Development Account that helps to determine what projects will be given priority[a] is proposed by the programme manager and endorsed by the Executive Committee for Economic and Social Affairs[b] for the biennial period;

(b) A call letter goes forward to the implementing entities providing the theme and requesting project submissions;

(c) Concept papers are submitted to the programme manager by the interested implementing entities for projects that are relevant to their normative and analytical work and which are consistent with their approved activities, as outlined in the United Nations strategic framework;

(d) Proposals are reviewed by a small group appointed by the programme manager and those that most meet the criteria and can be financed within the expected approved Development Account budget are submitted for approval to the Executive Committee for Economic and Social Affairs;[b]

(e) Approved concept papers are then included in the budget fascicle in a standard format and submitted to the General Assembly for approval as part of the biennial budget approval process;

(f) When the budget and the projects are approved by the General Assembly, the implementing agency develops a full project document based on the approved concept paper;

(g) Each project document is reviewed by the programme manager and, when approved, an allocation for the project is authorized and implementation can commence.

2. The programme manager has issued and regularly updates the web site "Guidelines on how to develop a Development Account project document based on the concept paper". The project documents are required to contain the following elements (not all elements are listed):

(a) Link to the strategic framework and to the Millennium Development Goals;

(b) Problem analysis (including a framework for a diagrammatic "problem tree");

(c) Objectives, expected accomplishments and strategy (including a framework of an "objective tree");

(d) Provisions for monitoring and evaluation;

(e) External factors (particularly risk assumptions);

(f) Implementation arrangements;

(g) A logical framework, containing:

(i) Expected accomplishment;

(ii) Objectively verifiable indicators;

(iii) Source of verification;

(iv) Risks and assumptions;

(h) A results-based work plan, containing:

(i) Expected accomplishment;

(ii) Main activity;

(iii) Time frame by output/activity;

(i) A results-based budget, containing:

(i) Expected accomplishment;

(ii) Main activities or group of activities;

(iii) Split of activities and outputs by budget categories;

(iv) Amount.

Notes

[a] For the biennium 2004-2005, the theme was "Projects which focus on meeting the Millennium Development Goals through knowledge management, partnerships and taking advantage of information and communication technology".

[b] The chosen theme is normally quite broad and is selected to correspond to the overall orientation of the United Nations strategic framework in the economic and social areas.

Annex V

Use of advisers

1. A number of concerns have been expressed by those interviewed for the present report about the use of advisers. It must be noted that the concerns set out below are not universally held, nor are they intended to apply to all advisers:

(a) Advisers do not always represent the most optimal use of the scarce regular programme of technical cooperation funds available, locking in a large percentage of the entity's regular programme of technical cooperation allocation and thereby reducing the ability to respond through other mechanisms, such as consultants, distance learning, training or field projects;

(b) Advisers can cause internal relationship problems with core staff, as they receive equal pay without any management or administrative responsibilities and have country-level connections not enjoyed by the staff;

(c) Advisers are being used to implement staff functions where core posts cannot be obtained through the regular programme budget (the shadow-staffing effect);

(d) Advisers maintain direct links with senior officials at the country level and may use such contacts to generate requests for their services that may not be consistent with the entity's broader strategic priorities;

(e) Advisers have excessive independence and their work is not always well integrated into the work programmes of the substantive divisions, while the somewhat arbitrary line drawn between advisers and staff means that advisers may not always be used as effectively as possible if the overall work plan is considered;

(f) Some advisers have been under contract for so long (through a recurring series of short-term contracts) that a de facto career path has been built, leading to the expectation of the adviser to continue to receive contracts until retirement, while creating within the entities a humanitarian sense of loyalty that mitigates against change;

(g) In some cases, the advisers are largely dedicated to project formulation, with the risk that the projects are more supply driven than demand driven.

2. The following observations are made in response to the concerns outlined above:

(a) In many cases, the work of advisers is highly valued and they are seen as an important net asset for the system. Most entities consider their advisers to be important elements of the entity's "institutional memory", particularly on technical cooperation issues, but also to some extent on the normative and analytical functions. In some cases, this institutional memory argument is made so forcefully that it tends to describe an unhealthy situation, where institutional memory is excessively concentrated in the person of the adviser, who is a temporary employee and who could thus be lost to the Organization on short notice;

(b) Most entities recognize that certain tensions can exist between advisers and core staff, with real or perceived grievances existing on both sides. These tensions appear to be most prevalent in the case of long-serving advisers, who may on occasion consider themselves somewhat insulated from the change forces within

the entity that are experienced by its staff. However, most of the managers interviewed believe that these problems are manageable and that they are decreasing as regular review and turnover of advisers within a reasonable time frame is exercised by senior management (see discussion below);

(c) Out of a very real commitment to enhancing both effectiveness and efficiency of the regular programme of technical cooperation, many entity managers are increasingly trying to break down the clearly defined historical barrier that may have existed between staff and advisers. Advisers are being increasingly integrated into divisional or thematic work programmes. When not fully committed to field advisory missions, they are being asked to help achieve divisional objectives. Similarly, staff are being used and their travel costs are being funded by the regular programme of technical cooperation when a staff member is considered to be the most suitable person for a particular assignment. This type of creative managerial response contributes to a better overall utilization of resources, but it further blurs the distinction between advisers and staff and complicates any assessment of the appropriate use of regular programme of technical cooperation funds;

(d) To the extent that "self-generated" workloads by advisers with excellent field contacts may have been a problem in the past, a variety of measures are increasingly making this difficult. Individual entities are reviewing requests in the light of the priorities established by their own governing bodies and normally advisers are contracted according to those priorities. The work plans of the advisers are being increasingly integrated with either the divisional or thematic work plans of the entities. Results-based approaches bring increased discipline to the system. All of these approaches should lessen the danger, but strong and effective management is also required;

(e) The senior management of most of the implementing agencies have been sensitized to the possible negative implications of very long-serving advisers and have moved in a variety of different ways to correct the situation. Most now consider that the status of individual advisers requires review after five years under contract. One entity has adopted a system where it automatically declares the adviser post vacant after five years. If it decides to continue with an adviser in the same field, the incumbent may reapply and if he or she is considered the most qualified, may be re-contracted. This approach has the merits of forcing a review of the continued priority for an adviser in that sector, is fair to the adviser, in that the process is clearly defined and allows the adviser to continue if that is in the best interests of the entity. Others have a less formal process, but which is also oriented towards a five-year appropriateness concept. However, some managers are against any concept of a "term limit" for advisers, arguing that their areas of demand are stable over long periods of time and that a very experienced adviser is an extremely valuable tool for the entity. This argument may be valid in some cases, but it is also evident that, after a certain period of time, management does, in fact, lose much of its flexibility due to the humanitarian and legal considerations that come into play in dealing with advisers with 15 or more years of service.

3. Information was available on the length of time under contract for 44 advisers in several implementing entities. The approved budget for the biennium 2004-2005 would allow up to 93 advisers to be recruited for the entire period.

Table 6.1
Time under contract

Time under contract	*Number of advisers*	*Percentage of sample*
> 15 years	3	7
10-15 years	9	20
5-10 years	21	48
< 5 years	11	25
Sample total	**44**	**100**

4. Control considerations related to the management of advisers have also introduced certain unintended rigidities into the management of each entity's regular programme of technical cooperation allocation. In principle, a manager should be able to decide how best to use the limited regular programme of technical cooperation funds allocated by choosing between advisers, short-term advisers, consultants, training activities, field projects or other appropriate inputs. To ensure that the regular programme of technical cooperation is not applied 100 per cent to advisers' salaries, the budget also indicates the number of work-months of advisory services to be provided during the biennium. For example, in the budget for the biennium 2004-2005, it was reported that 2.232 work-months of advisory services would be provided. At 24 work-months per biennium, this translates into the equivalent of 93 full-time advisers. This total of 93 positions is then treated as a maximum and is allocated to the individual implementing entities: such that the Department of Economic and Social Affairs gets 18, the Economic Commission for Africa gets 17, the United Nations International Drug Control Programme gets 1, the Office for the Coordination of Humanitarian Affairs gets 2, etc. Once it has received an "adviser authority", an entity is extremely reluctant to give it up. Were an entity to decide to give up an adviser authorization to dedicate more money to training, it might never be able to get that authorization back should its priorities change in future years. The net result is that a measure that was intended to place a ceiling on the use of advisers in the regular programme of technical cooperation now acts as both a ceiling and a floor. This limits the ability of a manager to shift direction in response to changing priorities and to choose alternative approaches such as consultants, training, or field projects which may be more relevant to the programme's objectives at a given point in time.

5. It is also evident that numerous situations exist where advisers are carrying out largely staff functions because the function is considered important and no core post is available. Several entities clearly acknowledge this. It is also evident from looking at other reporting information. With so little flexibility in the system, it requires considerable discipline not to stretch interpretations on the appropriate use of regular programme of technical cooperation funds. The end objective of such "stretching" is often supportive of technical cooperation activities, but outside a disciplined application of regular programme of technical cooperation criteria or intent.

6. How can these distortions of the intended use of the regular programme of technical cooperation be minimized? It is difficult to develop criteria that are appropriate to all situations. If providing advisory services in the country is to be

considered the primary focus, then it is possible to look at questions such as the allocation of regular programme of technical cooperation funds between salaries and travel as an appropriate guide. Similarly, the number of missions (and their purposes) carried out by each adviser gives an indication as to those "getting out into the field" and those staying at home in Headquarters.

7. It is evident that some implementing entities are spending very little of their regular programme of technical cooperation funds on travel. A sample review of detailed travel data for the biennium 2002-2003 and funded under the regular programme of technical cooperation was done for several of the implementing entities. A number of observations can be made from this examination, which covered about 38 per cent of the advisers contracted under the regular programme of technical cooperation:

(a) The average number of missions per adviser per year was 10.8;

(b) If attendance at conferences or missions to developed countries were removed, the average number of missions per adviser per year was 8.0;[a]

(c) A number of missions (particularly of the type related to conferences) did not appear to be at the request of a developing country and seemed more oriented to representing the organization or participating in "professional meetings" than to technical cooperation;

(d) Performance among individual advisers varied significantly, with some undertaking 10 to 12 missions per year and some doing only 1 or 2 (only advisers on board for the full period were used for this observation).[b]

8. The relevance of using travel expenditures and mission data to determine the "legitimacy" of adviser activities under the regular programme of technical cooperation is arguable. Some entities argue that technical cooperation today is much different than in the past and often does not involve sending advisers to see senior officials in the field. Distance learning and web-based knowledge networks are increasingly the modalities of choice, allowing many more users to be reached. While acknowledging these trends, it is not evident that they alone can explain the virtual absence of mission travel in some entities. These trends also pose questions as to whether the ultimate intent of the regular programme of technical cooperation is to provide services largely in the developing countries or at both Headquarters and country levels. If the answer is the latter, then the line between staff and advisers becomes very blurred and the ability to monitor effectively the use of regular programme of technical cooperation resources requires much better reporting modalities.

Notes

[a] Conferences were not identified in all of the data provided, so this number may be somewhat inflated.

[b] Again, some of the data did not provide information on individual advisers, which means it was not possible to consider that entity in arriving at this general indication.

Annex VI

Reporting options

Option 1 — Using the budget fascicle

As outlined in the report, the regular programme of technical cooperation is somewhat unique in the United Nations, in that the programme levels and general allocation of funds are approved with only an indicative statement of how the funds will be used. These indicative descriptions nevertheless represent a considerable documentation burden of only marginal utility. A better use of this space might be to report on the results of the previously approved biennium. Given the time requirements for document preparation, there would have to be a one biennium lag in reporting. For example, the report for 2004-2005 would accompany the budget request for the biennium 2008-2009. The responsibilities of the coordinator and the implementing entities for inputting to this process would be as outlined earlier.

Option 2 — Using the programme performance report

This approach would require each implementing entity to report in its own section of the programme performance report on its use of regular programme of technical cooperation funds. A review of a number of the programme performance report sections indicates few, if any, references to section 23. This approach has the virtue of allowing all relevant data for each programme to be presented in one integrated report. The drawbacks of this approach are the following:

(a) The reporting would not be consistent with the budget approval process, where the regular programme of technical cooperation is approved separately under section 23;

(b) Singling out the relatively modest levels of regular programme of technical cooperation funding for special treatment in the individual programme reporting sections might significantly distort the structure of the overall programme report;

(c) It would be very difficult to get a sense of the overall accomplishments of the regular programme of technical cooperation;

(d) The programme performance report as it currently exists does not effectively link resources to activities to outputs and to impact.

Option 3 — Creating a section 23 in the programme performance report

This approach would have the benefit of grouping regular programme of technical cooperation reporting in one area, with the evident drawback being the lack of an integrated picture in the individual programme sections. An additional negative aspect is that the current programme performance report structure does not provide the type of linking between resources, activities, outputs and results that is usually expected for development assistance expenditures and which is provided through the separate report submitted for the Development Account.

Option 4 — Preparing a separate report (from the programme performance report) on the regular programme of technical cooperation (sect. 23)

This approach would essentially exempt the regular programme of technical cooperation from the integrated programme performance report process. As is the case with the Development Account, a separate report would be prepared by the programme coordinator in cooperation with the implementing entities which would meet the specific programme characteristics of the regular programme of technical cooperation. This approach has the obvious benefit of being "tailor-made" to the programme and to the demands of governance. It has the disadvantage of adding another report and another reporting format to the overall governance process.

Annex VII

Sample biennium disbursements report for the regular programme of technical cooperation for implementing entity xxx

Basic disbursement data for the biennium 2004-2005[a]

	United States dollars	*Percentage*	*Work-months*	*Per month (United States dollars)*
General temporary assistance	2 233 589	63	168	13 295
Consultants and experts	194 993	5	15	13 000
Other personnel-related costs	237	0		
Travel on official business	715 055	20	183	3 907
Other	13 095	0		
Contractual services	5 034	0		
General operating expenses	16 033	0		
Fellowships, grants and contributions	367 459	10		
Total	**3 545 495**	**100**		

[a] All numbers in the present annex are fictitious and for illustrative purposes only.

Activities report[b]

	Number of work-months						
		Office preparation					
Subprogramme	*Mission time*	*Mission preparation*	*Project preparation*	*Training materials*	*Other*	*Total office time*	*Total time*
Subprogramme 1	16	12	18	4	2	36	52
Subprogramme 2	42	20	0	0	6	26	68
Subprogramme 3	6	4	0	24	0	28	34
Subprogramme 4	2	2	15	10	0	27	29
Total	**66**	**38**	**33**	**38**	**8**	**117**	**183**

[b] In addition to this standard data, results and impact reporting would be customized according to the responsible programme manager.